

Compendium of Budget Information for the 2014 General Session

Social Services Appropriations Subcommittee

Agency: Workforce Services

Line Item: Permanent Community Impact Fund

Function

The Permanent Community Impact Fund helps mitigate the impacts of non-metallic mineral extraction on services traditionally provided by government entities. Funding sources are mineral lease royalties returned to the State by the federal government. The Fund provides grants and/or loans to subdivisions of the State for public facilities which are impacted directly or indirectly by mineral resource development on federal lands.

A governing board decides who receives the funds from the Permanent Community Impact Fund. UCA 35A-8-304 provides the following for the 11 member governing board (or their designee for the first four members):

1. Board of Water Resources Chair
2. Water Quality Board Chair
3. Transportation Commission Chair
4. Department of Workforce Services Director
5. State Treasurer
6. Locally-elected official from Carbon, Emery, Grand, or San Juan County
7. Locally-elected official from Juab, Millard, Sanpete, Sevier, Piute, or Wayne County
8. Locally-elected official from Duchesne, Daggett, or Uintah County
9. Locally-elected official from Beaver, Iron, Washington, Garfield, or Kane County
10. Locally-elected official from the county that produced the most mineral lease money
11. Locally-elected official from the county that produced the second most mineral lease money

The Department has a competitive grant process for applicants, which considers an entity's resources to repay a loan as well as other sources to pay for proposed projects. In general, the Department limits funding to \$5,000,000 per project. The governing board makes funding decisions three times per year.

Statutory Authority

This Fund receives revenue automatically as per UCA 59-21-1(2), 59-21-2 (2)(d), and 53C-3-203(4)(viii)). The following is a list of these three revenue sources and the restrictions on their usage:

1. 70% of federal mineral lease bonus payments (UCA 59-21-1(2)) - funds must be loaned with interest due on the loan.
2. 32.5% of all deposits made to the Mineral Lease Account (UCA 59-21-2 (2)(d)) - money can be used for grants or loans. Loans may be as low as zero percent interest
3. 3% of the deposits to GF - Land Exchange Distribution Account (UCA 53C-3-203(4)(viii))

Performance

Project Type	FY 2011		FY 2012		FY 2013	
	#	Grant & Loan	#	Grant & Loan	#	Grant & Loan
Transportation	8	\$ 13,762,700	19	\$ 57,256,200	13	\$ 34,189,500
Water Projects	13	\$ 24,090,400	23	\$ 40,201,700	18	\$ 23,659,500
Sewer Projects	7	\$ 5,692,600	8	\$ 22,208,400	4	\$ 4,332,000
Health & Public Safety	17	\$ 12,968,400	12	\$ 6,611,500	6	\$ 1,397,300
General Buildings	10	\$ 4,337,400	12	\$ 7,166,400	13	\$ 36,337,100
Combined Projects	2	\$ 7,320,000	5	\$ 3,934,000	1	\$ 2,872,000
Recreation Projects	7	\$ 9,875,000	5	\$ 2,816,500	4	\$ 1,471,600
Design/Plan/Study	14	\$ 824,400	13	\$ 1,825,500	11	\$ 715,500
Equipment Purchase	3	\$ 1,051,000	1	\$ 45,000	1	\$ 225,000
Irrigation	2	\$ 1,697,000	0	\$ -	0	\$ -
Communications	0	\$ -	0	\$ -	0	\$ -
Funding Provided	83	\$ 81,618,900	98	\$ 142,065,200	71	\$ 105,199,500
Total Projects Cost		\$ 142,455,800		\$ 173,871,600		\$ 134,426,400
% Total Project Funded		57%		82%		78%

Total State Mineral Lease Revenue and Community Impact Board Allocations by County						
County	FY 2011	% of Total	FY 2012	% of Total	FY 2013	% of Total
Beaver	\$ -	0.0%	\$ 800,000	0.6%	\$ 747,000	0.7%
Box Elder	\$ -	0.0%	\$ -	0.0%	\$ 4,115,000	3.9%
Cache	\$ 5,700,000	7.0%	\$ 62,300	0.0%	\$ 32,500	0.0%
Carbon	\$ 13,255,000	16.2%	\$ 25,914,600	18.2%	\$ 18,862,900	17.9%
Daggett	\$ 638,000	0.8%	\$ 735,800	0.5%	\$ -	0.0%
Davis	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Duchesne	\$ 9,289,300	11.4%	\$ 18,340,800	12.9%	\$ 20,945,000	19.9%
Emery	\$ 5,090,000	6.2%	\$ 3,590,500	2.5%	\$ 3,979,000	3.8%
Garfield	\$ 2,480,500	3.0%	\$ 1,437,000	1.0%	\$ 242,000	0.2%
Grand	\$ 1,180,000	1.4%	\$ 323,000	0.2%	\$ 1,548,500	1.5%
Iron	\$ 3,621,800	4.4%	\$ 3,235,500	2.3%	\$ 2,145,000	2.0%
Juab	\$ 3,257,200	4.0%	\$ 611,000	0.4%	\$ 3,585,000	3.4%
Kane	\$ 47,000	0.1%	\$ 12,395,400	8.7%	\$ 2,960,000	2.8%
Millard	\$ 125,000	0.2%	\$ 867,000	0.6%	\$ 897,000	0.9%
Morgan	\$ 701,000	0.9%	\$ 300,000	0.2%	\$ -	0.0%
Piute	\$ -	0.0%	\$ 560,000	0.4%	\$ 253,700	0.2%
Rich	\$ -	0.0%	\$ 9,000	0.0%	\$ 40,000	0.0%
Salt Lake	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
San Juan	\$ 4,150,500	5.1%	\$ 7,699,500	5.4%	\$ 2,286,600	2.2%
Sanpete	\$ 2,271,000	2.8%	\$ 6,797,800	4.8%	\$ 1,863,500	1.8%
Sevier	\$ 8,262,200	10.1%	\$ 18,452,000	13.0%	\$ 107,100	0.1%
Summit	\$ -	0.0%	\$ -	0.0%	\$ 375,000	0.4%
Tooele	\$ -	0.0%	\$ 2,500,000	1.8%	\$ -	0.0%
Uintah	\$ 13,622,500	16.7%	\$ 27,249,000	19.2%	\$ 38,793,700	36.9%
Utah	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Wasatch	\$ -	0.0%	\$ 540,000	0.4%	\$ -	0.0%
Washington	\$ 6,777,000	8.3%	\$ 6,778,000	4.8%	\$ 917,000	0.9%
Wayne	\$ 581,900	0.7%	\$ 2,180,000	1.5%	\$ -	0.0%
Weber	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Unallocated	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Regional*	\$ 569,000	0.7%	\$ 687,000	0.5%	\$ 504,000	0.5%
Total	\$ 81,618,900	100%	\$142,065,200	100%	\$105,199,500	100%
*The "Regional" classification includes Association of Governments, Higher Education Projects and Regional Projects.						

Funding Detail

The majority of the funds go out as loans, which do not show up in the expenditure detail below. These loans show up as receivables on other financial statements.

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Dedicated Credits Revenue	\$128,000	\$2,379,100	(\$1,469,100)	\$910,000	(\$700)	\$909,300
Interest Income	\$7,955,800	\$7,617,900	\$337,900	\$7,955,800	(\$7,558,800)	\$397,000
Federal Mineral Lease	\$58,621,700	\$85,343,500	(\$7,643,500)	\$77,700,000	(\$13,890,000)	\$63,810,000
GFR - Land Exchange Distribution Account	\$45,800	\$420,000	\$0	\$420,000	\$0	\$420,000
GFR - Mineral Bonus	\$3,442,900	\$9,200,000	\$0	\$9,200,000	\$0	\$9,200,000
Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Repayments	\$0	\$35,900,000	(\$7,325,800)	\$28,574,200	\$7,225,700	\$35,799,900
Beginning Fund Balance	\$602,444,200	\$612,861,200	\$15,149,200	\$628,010,400	(\$316,605,700)	\$311,404,700
Ending Fund Balance	(\$628,010,400)	(\$623,278,200)	\$981,600	(\$622,296,600)	\$321,527,500	(\$300,769,100)
Total	\$44,628,000	\$130,443,500	\$30,300	\$130,473,800	(\$9,302,000)	\$121,171,800

Programs	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Permanent Community Impact Fund	\$44,628,000	\$130,443,500	\$30,300	\$130,473,800	(\$9,302,000)	\$121,171,800
Total	\$44,628,000	\$130,443,500	\$30,300	\$130,473,800	(\$9,302,000)	\$121,171,800

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Current Expense	\$70,100	\$0	\$70,100	\$70,100	(\$28,900)	\$41,200
Other Charges/Pass Thru	\$0	\$130,443,500	(\$101,869,300)	\$28,574,200	\$7,225,700	\$35,799,900
Transfers	\$44,557,900	\$0	\$101,829,500	\$101,829,500	(\$16,498,800)	\$85,330,700

Total	\$44,628,000	\$130,443,500	\$30,300	\$130,473,800	(\$9,302,000)	\$121,171,800
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Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Change in Fund Balance	0	10,417,000	(10,417,000)	0	10,417,000	10,417,000

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.